

# Marketing Feasibility Study Worksheet and Checklist

## For Your Product or Service

1. Describe briefly the nature of the product or service you plan to offer.
2. Most products or services have a life cycle, beginning with very rapid growth in the introductory stage, which slows down in the maturity stage, flattens out in the saturation stage, and finally begins shrinking in the declining state. Which stage of its market cycle do you believe your product or service is in?  
  
\_\_\_\_\_ Introductory (high growth)  
\_\_\_\_\_ Maturity (slower growth)  
\_\_\_\_\_ Saturation (little or not growth)  
\_\_\_\_\_ Declining (negative growth in demand)
3. If you believe your product or service is in one of the earlier, faster growing, stages of its life cycle, what edge do you feel your product or service will have over similar ones that may be introduced by new competitors who may come into the field?
4. If you are entering at a fairly late stage of the product marketing cycle, why do you believe that you will succeed in taking away others' market share with your product?
  - a. How is your product differentiated from what is already on the market (in terms of quality & price)?
  - b. Is there good reason to believe that your customers will recognize the difference, and if so, why?
  - c. What is different about your marketing strategy or distribution strategy that will enable your product or service to succeed in a market where there's very little, if any growth?

### Your Customers

5. Not everyone is a potential customer--certain age groups, income levels, geographic areas, ethnic groups and educational levels will be more likely to be your customers. You need to focus on who will need your product and be most likely to be your customers. You need to focus on who will need your product and be most likely to be your customers. You need to focus on who will need your product and be most likely to buy it, and then, where to locate your business or how to structure your marketing approach so as to reach those segments of the market that you are most interested in reaching. Spell out, as clearly as you can, who your customers are most likely to be:
  - a. Geographic Area. The particular area from which I'll be able to draw most of my customers is:  
  
In addition, I should draw a significant number of customers from the following areas or areas:
  - b. Ages or Sex Group. The chief market for my product in terms of age and sex groups, should be among persons in the following age and sex groups:
  - c. Income Level. In terms of income groups, my particular product should appeal primarily to people in the following income levels:  
  
\_\_\_\_\_ Under \$15,000 a year household income  
\_\_\_\_\_ \$15,000 - \$25,000 a year  
\_\_\_\_\_ \$25,000 - \$35,000 a year  
\_\_\_\_\_ \$35,000 - \$50,000 a year  
\_\_\_\_\_ \$50,000 - \$75,000 a year

\_\_\_\_\_ \$75,000 - \$100,000 a year  
\_\_\_\_\_ Over \$100,000 a year

- d. Social, Cultural, Ethnic Factors. My product seems likely to be more in demand by certain social, cultural and ethnic groups than others. The groups that are most likely to be customers, if any, are:

The groups that are probably the least likely to be customers are the following:

#### Your Competition

Even if you have researched Sales Management Magazine's annual survey of buying power, researched Census Tract data at your local library, consulted the local planning commission and the Chamber of Commerce for local economic data, read Chapter 1 of the "Starting & Operating a Business" book for your state -- and done a generally great job of pinpointing and studying your market segment -- the job isn't done until you have considered your competition.

6. My main competitors in my market area are (List Names of Firms):

a. \_\_\_\_\_  
b. \_\_\_\_\_  
c. \_\_\_\_\_  
d. \_\_\_\_\_

7. Based on my market research of statistical data (such as Sales Management, Predicasts, etc.), the amount of buying power per business represented in my market area now is:

\$ \_\_\_\_\_

If I can generate that amount of sales, will it be enough for me to operate successfully?

8. Five reasons why customers would buy from me rather than my competitors are:

a. \_\_\_\_\_  
b. \_\_\_\_\_  
c. \_\_\_\_\_  
d. \_\_\_\_\_

9. Five weaknesses my business will have in comparison to my competitors are the following:

a. \_\_\_\_\_  
b. \_\_\_\_\_  
c. \_\_\_\_\_  
d. \_\_\_\_\_

10. In order to overcome these weaknesses, I will:

# **51 Marketing Tips**

## ***...Every Entrepreneur Should Know!***

1. The most important order you ever get from a customer is the second order.
2. In direct mailing, spend 10 percent of your budget on testing.
3. Understanding and adapting to consumer motivation and behavior is not an option but an absolute necessity for competitive survival.
4. A well-designed catalog mailed to a qualified response list will probably bring a 1% response.
5. Costs incurred from the time an order arrives until it is shipped are processing and fulfillment. This cost should be kept below \$10.00 an order.
6. Know the power of repetition. Be sure that your message is consistent.
7. The two most common mistakes companies make in using the phone is failing to track results and tracking the wrong thing.
8. Marketing activities should be designed to increase profits, not just sales.
9. It costs five times as much to sell to a new customer than to an existing customer.
10. Selling what your customers need instead of what they want can lead to failure.
11. Don't think that product superiority, technology, innovation or company size will sell itself.
12. Don't neglect or ignore your current customers while pursuing new ones.
13. People don't buy products, they buy the benefits and solutions they believe the products provide.
14. Any decent direct mail campaign will cost \$1.25 per piece.
15. The average business never hears from 96% of its dissatisfied customers.
16. Fifty percent of those customers who complain would do business with the company again if their complaints were handled satisfactorily.
17. It is estimated that customers are twice as likely to talk about their bad experiences as their good ones.

18. Marketing is everyone's business, regardless of title or position in the organization.
19. Exaggerated claims can produce inflated expectations that the product or service cannot live up to, thereby resulting in dissatisfied customers.
20. Get to know your prime customers -- the 20% of product users who account for 80% of the total consumption of that product class.
21. Telephone-generated leads are likely to close four to six times greater than mail-generated leads.
22. The two ways to sustain superior performances are to take exceptional care of your customers through superior service and quality, and to constantly innovate.
23. The Rule of Thirds: For a given catalog, one-third of the merchandise will sell well, one third will sell OK, and one-third will bomb.
24. Properly designated and used research efforts can significantly lower the risks of marketing failure.
25. There are three foundations for marketing decisions: 1) research, 2) experience, and 3) intuition. None is complete without the other.
26. Marketers should spend 25% of their time in the field, learning from and listening to their customers.
27. About 90% of all product introductions ultimately either fail or fall short of potential.
28. The key to maintenance of market share is pervasive and continuing commitment to customer satisfaction.
29. Personal influence (word-of-mouth) has a more decisive role in influencing behavior than advertising and other marketer-dominated sources.
30. The more information that can be given visually, through observation or actual product demonstration, the greater the impact on awareness and stimulation of interest.
31. Gaining the consumer's attention is possibly the most formidable challenge a marketer faces.
32. The consumer's perception of price is usually more important than actual price.
33. The customer is not dependent on you, you are dependent on the customer.
34. If you don't stay in contact with your customer, someone else will attract that customer's business.

35. Plan your business operations for the convenience of the customer. Make it easy to do business with you.
36. If customers call with questions, your catalog isn't doing its job.
37. Forty percent of people who receive free gifts can remember the name of the advertiser as long as six months later.
38. The two biggest mistakes in marketing are spending too much and spending too little.
39. Remember that small shares of gigantic markets can be abundant and profitable.
40. The cost of a sales call is \$350 and going up.
41. At trade shows, a qualified lead costs \$127.
42. A successful direct mailing will earn at least 2.2 times the money you spend on the mailing.
43. Identify your competitive advantages, and then focus your marketing efforts on them.
44. Always remember that it's best to under-promise and over-deliver.
45. It's hard to manage something that you can't measure.
46. Develop back-end marketing strategies: ways to resell to customers through updates, new versions, complementary products.
47. If you can't be first in a category, try setting up a new category to be first in.
48. Marketing is not a battle of products, it's a battle of perceptions.
49. Find ways to turn current customers into a salesforce.
50. The credibility and persuasiveness of your marketing efforts increases in direct proportion to the amount of specific information you provide.
51. Treat sales transactions not as an end but as a beginning of a relationship.